

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

ffecting the Na-  
tional Defense of the United States, within the mean-  
ing of Title 18, Sections 793 and 794, of the U.S. Code, as  
amended. Its transmission or revelation of its contents  
to or receipt by an unauthorized person is prohibited  
by law. The reproduction of this form is prohibited.

~~SECRET~~  
SECURITY INFORMATION

50X1

COUNTRY	USSR (Leningrad Oblast)	REPORT	
SUBJECT	Management and Working Conditions at Institute 49	DATE DISTR.	1 December 1953
DATE OF INFO.		NO. OF PAGES	8
PLACE ACQUIRED		REQUIREMENT	50X1
		REFERENCES	50X1-HUM

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
THE APPRAISAL OF CONTENT IS TENTATIVE.  
(FOR KEY SEE REVERSE)

50X1-HUM

The following changes should be made:

1. Pervy otchel, page 4, should read pervyy otchel.
2. Sery dom, page 4, should read seryy dom.
3. Liteiny Prospekt, page 4, should read Liteynny Prospekt.

Comment

50X1-HUM

Shushkov has been reported previously as Zhuchkov.

~~SECRET~~/SECURITY INFORMATION

50X1

STATE	X#	ARMY	X#	NAVY	X#	AIR	X#	FBI		AEC							
-------	----	------	----	------	----	-----	----	-----	--	-----	--	--	--	--	--	--	--

(Note: Washington Distribution Indicated By "X"; Field Distribution By "#".)

SECRET

SECURITY INFORMATION

REPORT

50X1-HUM

COUNTRY : USSR (Leningrad Oblast)

DATE DISTR. 19 OCT 53

SUBJECT : Management and Working Conditions At  
Institute 49

NO. OF PAGES 7

PLACE  
ACQUIRED

NO. OF ENCLS.  
(LISTED BELOW)

DATE  
ACQUIRED

SUPPLEMENT TO  
REPORT NO. 50X1-HUM

DATE OF

THIS IS UNEVALUATED INFORMATION

50X1-HUM

PLACE OF EMPLOYMENT AND CONTACT WITH SOVIET SOCIETY

50X1-HUM

1. [ ] 21 German specialists [ ] were employed at Scientific Research Institute 49 in Leningrad. Institute 49, under the Ministry of the Shipbuilding Industry, carried out research on high-frequency radio transmission and reception, among other things. 50X1-HUM
2. The Germans at the institute were divided into two groups which were thoroughly isolated from the estimated 3,000 Soviet employees there. [ ] the major group of German specialists, had daily contact with only five Soviet employees while on the job. These included KLARITSKIY [ ] Soviet supervisor), two liaison engineers, an interpreter secretary. 50X1-HUM
3. The liaison engineers obtained [ ] materials and arranged for work shops to do some [ ] machining work. The secretary did [ ] administrative leg work. All [ ] inquiries about working conditions were channeled through her. [ ] she was required to report on such requests to the chief of the personnel office, an MVD official. [ ] all five of these employees had been cleared reported to the MVD. 50X1-HUM

50X1-HUM

50X1-HUM

50X1-HUM

50X1-HUM

50X1-HUM

SECRET

SECURITY INFORMATION

SECRET

-2-

50X1

4. In addition there were about 20 Soviet engineers at the institute working on research projects [ ] who frequently conferred [ ] mutual problems. However, these conferences always took place in the presence of KLARITSKIY and thus did not provide a very fruitful source of contact with [ ] fellow Soviet engineers. 50X1-HUM
5. There was obviously a difference of opinion between Soviet military personnel and technicians on the one hand and Party and police officials on the other concerning the correct way of handling the German specialists. The former favored a lenient policy while the latter, evidently concerned with security considerations, sought to restrict [ ] movements and utilization at every step. [ ] these differences of opinion among leading Soviet personnel at Institute 49 reflected a policy conflict on a higher level and [ ] this conflict explains why [ ] were repatriated. The politicians and the police won out. 50X1-HUM
6. [ ] activities outside of working hours were also subject to close supervision by Soviet authorities. The German specialists were driven in a group to and from work in a bus belonging to the institute. [ ] all lived in an apartment building owned by the Ministry of Shipbuilding Industry. Although other Soviet families lived in this building, [ ] apartments were isolated from them and were of [ ] to them. It was officially announced at the institute that [ ] forbidden to have Soviet families visit [ ] homes. 50X1-HUM
7. [ ] were permitted to move around unescorted only in an area approximately 800 meters from [ ] apartment building. [ ] not allowed to visit other parts of Leningrad except in the company of a guard. This was even true when [ ] attended a concert or visited a club. A special office, called the komendatura, was established for the purpose of enforcing these regulations. It consisted of the chief, or komendant, three duty guards, or deszhurnnye komendanty, and eight interpreter-guides. 50X1-HUM
8. [ ] Soviet [ ] interpreters, deliberately gave [ ] the Party line and withheld some of their own opinions in discussing political and other general topics [ ] a few others who freely criticized the Soviet Government and life in the USSR. [ ] they were expressing their honest opinions. 50X1-HUM

#### MANAGEMENT AND WORKING CONDITIONS AT INSTITUTE 49

##### Party Activities and Membership

9. [ ] most of the top personnel at Institute 49, particularly those occupying administrative posts, were members of the Party. Included among this group were institute director SHARIN, personnel chief SHUSHKOV, production director DOBROVSKIY and quite a few laboratory chiefs. 50X1-HUM
10. Some of these individuals were technicians first and Party members second. Director SHARIN is a good example. He was highly regarded in Party circles, although he had been a Party member only since 1941. For example, he was a deputy to the Leningrad City Soviet. However, in the event of a conflict between a Party directive and a technically sound decision, [ ] SHARIN would decide in favor of the latter. 50X1-HUM
11. To cite an example, the Soviet chief of the computer laboratory once raised a fuss with the German specialists because a calculator which they had developed failed to meet precision requirements,

SECRET

SECRET

-3-

50X1

He ordered the Germans to work night and day until the desired results were achieved. The Germans refused this order, saying that it was nonsense to try to rush through research work of that nature. It would only make them become tired and nervous and this would lead to worse results. The case was brought before SHARIN. After he heard the Germans' side of the story, he said that his Party duties required him to punish the Germans for their behavior. However, he agreed that their decision was the correct one as far as technical matters were concerned and he forced the Soviet laboratory chief to give in.

50X1-HUM

12. On the other hand, some of the institute's leading personnel were Party members with relatively little understanding of technical problems. They occupied administrative posts as laboratory or department chiefs and supervised more qualified personnel who did the real work. This was an established pattern, although there were many exceptions to the rule. This meant that Party members were given preference for certain posts. And [ ] out of two people being considered for a promotion, the Party member would always be chosen, technical qualifications being equal.
13. [ ] not believe that these personnel policies which revealed a certain favoritism toward Party members had any harmful effect on the operation of the institute. For it is true in Germany as well as in the Soviet Union that laboratory chiefs and other such administrative personnel are not always chosen for their technical proficiency but for their organizational and administrative talents. A good research engineer is not necessarily a good administrator. And these laboratory and department chiefs at Institute 49 were always backed up by qualified engineers and technicians who did the substantive work. Furthermore [ ] never [ ] particularly well qualified engineers being held back because they were not [ ] of the Party.
14. The primary Party organization at Institute 49 was represented by a bureau headed by a secretary. [ ]. The only activity on the part of the Party bureau [ ] was the holding of political lectures for Soviet employees. The German specialists were not allowed to attend these meetings. Each laboratory or department held a meeting once a week on the average. They were held in the evening and generally lasted one hour. These lectures, given by Party activists employed at the institute, were devoted to such themes as the Korean War, China, life in the States, the "civil-war" in Indo-China and some domestic topics.
15. [ ] SHARIN, the institute director, was not only the leading technical man at the institute but probably had the greatest prestige as a Party member. [ ] not believe that the institute's Party organization could have challenged any decisions made by him on research operations.

50X1-HUM

50X1-HUM

50X1-HUM

MVD Activities

50X1-HUM

16. There were several MVD offices at the institute. The senior MVD official there was SHUSHKOV, the head of the personnel office. [ ] this office was called otdel kadrov as this name was written on the door to SHUSHKOV's office. This office was responsible for normal personnel functions, such as hiring and firing plant employees. [ ] SHUSHKOV received his orders concerning such matters from the institute director and not from MVD superiors.

SECRET

50X1-HUM

50X1-HUM

SECRET

50X1-HUM

-4-

[redacted] the personnel office maintained political dossiers on plant personnel and [redacted] this activity fell within the sphere of the MVD. At any rate, this was undoubtedly true in the case of the German specialists [redacted]

50X1-HUM

17. The second MVD office was the first department, or pervy otdel. It was responsible for the security of all classified matter within Institute 49. It maintained a safe room for the storage of these documents and enforced security regulations concerning their handling within the institute. The first department also controlled all incoming and outgoing mail. The institute received its mail at a general delivery box in Leningrad. 50X1-HUM
18. Although the first department was administratively independent of the personnel office, it also was headed by SHUSHKOV. [redacted] SHUSHKOV described as chief of the first department. [redacted] all correspondence addressed to the institute came to him first. This was, as noted above, a function of the first department. 50X1-HUM
19. Security regulations at the institute were very strict. All secret reports and drawings were placed overnight in the safe room of the first department. This also applied to the keys for the various offices and file cabinets at the institute. All drawings had to be registered and given a classification stamp before they were begun. A research engineer was allowed to make notes only in a special notebook which had numbered pages and was sealed on the binding. These notes, incidentally, were not located in the safe room overnight but were simply kept in a file cabinet. [redacted] 50X1-HUM
20. The komendatura which guarded the movements of the German specialists was also an MVD office. [redacted] 50X1-HUM  
[redacted] it reported directly to the MVD headquarters 50X1-HUM  
Leningrad. [redacted] the so-called gray house or serv dom, the popular name for the MVD headquarters in Leningrad, which was located on Liteiny Prospekt.) And the head of the komendatura always cleared with the MVD headquarters before allowing us to take an outing. Apparently the komendatura was also subordinate to SHUSHKOV, the personnel chief. When [redacted] brought a complaint before SHUSHKOV, he made it clear that the komendatura acted on the basis of instructions received from MVD headquarters but that it also took orders from him. 50X1-HUM
21. The guard detachment at Institute 49 was simply referred to as the okhrana. It apparently was independent of both SHUSHKOV and the institute director. When on several occasions the German specialists had a difference of opinion with the guards and threatened to bring the case before SHUSHKOV or the director, the guards replied that the latter individuals had nothing to say about it. [redacted] the guard detachment was also under the MVD but reported through independent channels to a higher headquarters. 50X1-HUM
22. [redacted] there were police informers among the Soviet and German personnel at Institute 49. [redacted] these informers reported to MVD agents outside of the institute who probably operated directly out of the "gray house" in Leningrad. [redacted] one German specialist (assigned to another enterprise in Leningrad) who was forced to act as an agent of the MVD. Her initial interrogation which led to her assuming these duties took place in the "gray house." Although she delivered subsequent reports to agents at neutral rendezvous points, [redacted] these agents were directly assigned to the Leningrad MVD headquarters. 50X1-HUM

SECRET

50X1-HUM

50X1-HUM

50X1-HUM

SECRET

-5-

50X1

23. One member [ ] was suspected by his colleagues of acting as an MVD informer. This man committed suicide in 1948, presumably because of a guilty conscience. Following his suicide, his room was searched by MVD agents, his farewell note was confiscated and his room was sealed. The room remained sealed until [ ] February 1953. 50X1-HUM

#### Salaries and Wages

24. The following are typical monthly salaries and wages of Soviet personnel at Institute 49:

Charwoman	250 rubles
File clerk	450 "
Technician (laboratory assistant, et cetera)	600 "
Translator	800 "
Range of wages for experienced skilled workers	600 to 2,000 rubles.
Average skilled worker	800 rubles
Better-than-average skilled worker	1,100 rubles
Better-than-average skilled worker with many years' experience	1,500 rubles
Engineer without administrative responsibilities	800 to 1,500 rubles
Chief of a laboratory or department	2,500 rubles
<u>Kandidat</u> of technical sciences in important post	3,000 rubles
Doctor of technical sciences in important post	5,000 rubles

The above figures include bonuses.

25. Because of the nature of operations at Institute 49 (almost exclusively research and development work), workers were generally not paid according to performance norms but received what was in effect a fixed salary. It was impossible in most cases to calculate beforehand the time required for a particular production process or research problem.
26. However, every worker and engineer received a monthly assignment or individual plan which he was expected to fulfill. If a project was supposed to last more than a month, an individual's plan estimated the percentage of the project which would be completed in a given month. Of course, we always submitted a report of "plan fulfilled" no matter what the actual progress was. This was not too difficult as we set our own production goals and our individual production plans were very elastic. Furthermore, it was impossible for an outsider to determine whether or not a research project was completed by a given percentage in a month as foreseen in these plans. So, we frequently reported a project as 40 per cent completed during the first month, 75 per cent completed in the second month and, as difficulties were encountered, perhaps 85 per cent, 90 per cent, 95 per cent and 100 per cent in successive months.
27. All plant personnel, workers, technicians, engineers, laboratory chiefs, received a bonus almost automatically if they fulfilled their work assignments by at least 100 per cent. A bonus normally amounted to about 25 per cent of base monthly salary. Bonuses were usually withheld only if a person was tardy during the month, absent without a reasonable excuse or guilty of some other infraction.
28. Plan fulfillment was not overstressed at Institute 49. Failure to fulfill a plan was not considered catastrophic. [ ] leniency in such matters depended a lot on the management of individual enterprises and these conditions varied considerably from enterprise to enterprise in the Soviet Union. Some enterprises 50X1-HUM

SECRET

SECRET

-6-

50X1

50X1-HUM

got away with murder. For example, [ ] a television plant in Leningrad which produced equipment for the Moscow television center. In one instance, it was far from completing a particular project within the established time. So it sent to Moscow the almost empty cabinets for the equipment it was making and announced that the plan had been fulfilled. The Moscow television center sent the cabinets back for "minor adjustments" and the project was completed far after the appointed time.

OTHER WORKING CONDITIONS

29. Institute 49 operated on a 48-hour week, eight hours a day, six days a week. Overtime work was not a frequent occurrence. Salaried personnel were not paid for overtime but instead received compensatory time. Workers were paid for overtime work.
30. [ ] the amount of annual leave received by an employee was determined by the position he held and not by his length of service. Workers received 12 to 18 days per year; the average engineer, 18 days and top personnel (including senior engineers), 24 days. 50X1-HUM
31. Only trade union members were eligible for compensation during sick leave. This, however, was merely a formality as all Soviet personnel were members of the union. Sick leave rights were calculated on the basis of a person's length of employment at a given enterprise and not his membership in the trade union. If a person was transferred by order of the ministry to another enterprise, he retained these accumulated privileges. However, these seniority rights were lost in the event that he transferred to another enterprise on his own initiative.
32. An employee received no compensation for sick leave during his first year of employment. He was paid 50 per cent of his average monthly salary if he had been employed from one to five years, 60 per cent for five to six years, 80 per cent for six to eight years and 100 per cent for over eight years. The maximum any Soviet employee could obtain for sick leave compensation was 160 rubles a day. This, of course, applied only to the most highly paid personnel.
33. Tardiness was an infrequent occurrence among Soviet personnel. A person late without excuse was generally punished by cancelling his monthly bonus. Only the more serious cases were brought before the rayon court. Other disciplinary infractions were also normally punished by cancelling a bonus.
34. Workers and engineers who were found responsible for wastage could be required to reimburse the institute management for the material and man hours lost. However, such penalties were seldom imposed in the German laboratories. [ ] the same was true throughout the institute. The regulation was apparently not carried to extremes. [ ] no negative results of this regulation. 50X1-HUM
35. [ ]  
[ ] Air defense exercises were held about every six months at the institute. Only a few individuals took part, people who were assigned to fire control, first-aid and other duties.

SECRET

SECRET

-7-

50X1-HUM

50X1

Comments:

Unlike the situation at most enterprises previously considered [redacted] the Germans at Institute 49 were isolated as a group from the activities and most personnel at the institute. The Soviet personnel with whom they worked had probably been selected by or were under the surveillance of the MVD. [redacted] German [redacted] were subject to the usual restrictions on their freedom of movement and social activities after working hours.

50X1-HUM

[redacted] the German specialists were isolated from most sections and activities at Institute 49. [redacted]

50X1-HUM

SECRET